

through the agency of accumulated savings. It is one of the surest teachings of experience—when contemplating a fall in stocks and helplessly pondering a sale lest a severer fate should come—that the most direful and dreaded troubles which we apprehend are precisely those that never occur; as a writer once epigrammatically phrased it—his life would have been replete with happiness had it not been for the miseries which never appeared.

The heavy decline of values affords the fitting period for investments in stocks which are intrinsically sound. In respect of the shares in industries likely to receive an accession of activity by the demand for the materials and manufactured articles which war involves, the increased values present a favourable chance for sales according as personal circumstances suggest to be necessary or expedient. For the stimulated vigour is of more or less transient duration.

A perplexing difficulty might be experienced sometimes by those who hold the securities of one of the belligerent nations : the only clear and expedient course to the ordinary investor would appear to be that, unless that nation were one of the strong and stable communities of the world, a speedy sale, if practicable, should be effected in apprehension of the subsequent results of additional taxation, declining credit, and the possibility of derangements by social discontent.

It might be added that American and Colonial securities would probably be benefited by a continental war, since the diversion of the customary commercial channels would be likely to create fresh openings for the expansion of trade in those countries.

NOTE .

The possible gravity of our national position—if, in consequence of an ineffective fleet, we relinquished our supreme dominion of the sea—is impressively testified by the facts that we depend (to specify a few items only) upon foreign countries and the Colonies for 83 per cent of our wheat and flour, 45 per cent of our meat, the whole of our cotton materials, 75 per cent of our wool supply, and for the raw material required for 40 per cent of the pig-iron we manufacture. The "daily bread," accordingly, of four-fifths of our population is involved in the unassailable maintenance of open ocean-routes ; and with restricted abundance of materials from abroad for manufacturing

purposes the power and scope of British capital and labour would be largely annihilated.